

# **NEEDS OF AGRICULTURE EDUCATORS for TRAINING, RESOURCES, and PROFESSIONAL DEVELOPMENT in BUSINESS MANAGEMENT AND MARKETING**

Charles A. Schlough, M.S.  
Extension Support Specialist,  
Entrepreneurship Education & Outreach Program,  
Cornell University

Deborah H. Streeter, Ph.D.  
Bruce F. Failing, Sr. Professor of Personal Enterprise and Small  
Business Management,  
Cornell University

A research project of the Entrepreneurship Work Group of the Agriculture and Food System Economic Vitality SPC and the Entrepreneurship Education & Outreach Program

**Department of Applied Economics and Management  
College of Agriculture and Life Sciences  
Cornell University  
Ithaca New York 14853-7801**

It is the Policy of Cornell University actively to support equality of educational and employment opportunity. No person shall be denied admission to any educational program or activity or be denied employment on the basis of any legally prohibited discrimination involving, but not limited to, such factors as race, color, creed, religion, national or ethnic origin, sex, age or handicap.

The University is committed to the maintenance of affirmative action programs which will assure the continuation of such equality of opportunity.

## **ACKNOWLEDGEMENT**

This study was conducted by the Agriculture Entrepreneurship Work Group of the Agriculture and Food Systems Economic Vitality State Program Committee. Team leaders were Charles Schlough Extension Support Specialist, Entrepreneurship Education & Outreach Program, and Cathy Sheils, Director of the NY FarmNet Program at the Department of Applied Economics & Management at Cornell University.

Funding was provided by the Bruce F. Failing Sr. Endowment for Personal Enterprise under the direction of co-author Prof. Deborah H. Streeter, Department of Applied Economics and Management at Cornell University.

Special acknowledgement is given to the many Agriculture Extension Educators and Agriculture Economic Development Specialists who gave significant and meaningful thought and time in response to the survey questions. This project is intended to build development of resources for their direct benefit in assisting enterprising farmers who are looking for a better way to create, grow and sustain their businesses.

Reviewers included Stephen Hadcock, Extension Educator - Columbia County, Edward D. Harwood, Assistant Director Cornell Cooperative Extension, Steven Richards, FarmNet and CCE Farm Business Management Specialist, Professor Robert Milligan, Applied Economics & Management, and Cathy Sheils, NY FarmNet Program Director.

# Table of Contents

ABSTRACT	1
OVERVIEW	2
RELATED STUDIES	2
RESEARCH METHODS	6
FINDINGS	7
PART 1. Requests by Farmers	9
What Farmers Request	
How Educators Respond to Requests	
Needs of Educators	
PART 2. Interest of Farmers for Education and Training	11
Topics of Interest	
Preferred Learning Methods	
PART 3. Training Experiences of Agriculture Educators	13
Review of Business and Marketing Plans	
Number of Trainings Conducted	
Using Training Partners	
PART 4. Capacity For Business and Marketing Assistance	14
Needs of Educators to be More Satisfied with Responses	
Need for Professional Development	
Importance to be Engaged in Business Planning and Marketing Training	
Impact of Training on Farmers	
PART 5. Evaluation of Resources	15
Educational Materials in Use	
Resources Needed	
Cornell University Resources	
SUMMARY OF FINDINGS	16
IMPLICATIONS AND RECOMMENDATIONS	16
REFERENCES	19
APPENDIX A.	
Questionnaire Form and Summary of Frequency Responses	20
APPENDIX B.	
Verbatim Text of Open Comments - Question 13	23

# **NEEDS OF AGRICULTURE EXTENSION EDUCATORS AND FARMERS for TRAINING, RESOURCES, and PROFESSIONAL DEVELOPMENT IN BUSINESS AND MARKETING**

---

## **ABSTRACT**

In this study, Cornell Cooperative Extension agriculture educators were surveyed to ascertain: 1) their assessment of the needs and interests of constituent farmers for learning business planning and marketing principles, 2) the resources they currently use to meet these needs, 3) the partners they have used in training, and 4) their needs for additional resources and professional development to deliver support on these topics.

Similar studies and reports created at Cornell University since 1978 informed our research. Earlier studies documented the ongoing needs of farmers and educators for resources in business management over the past two decades. Over that same time period, alternative and diversified enterprises have become more common farming activities, resulting in a heightened interest by farmers in value-added opportunities, suitable market channels, and strategies to access them. Because of this trend it was judged to be an appropriate time to re-inventory the needs and interests of extension educators.

Participants in the survey, which was administered by mail to 118 individuals, included Cornell Cooperative Extension personnel who work with agricultural constituents and people hired as Agriculture Economic Development Specialists. Seventy-five useable surveys were completed, representing a response rate of 64%.

Results show that extension educators still feel that in the areas of business planning and marketing too few resources are available and there persists an underdeveloped capacity to adequately serve the requests of constituents. Of course, not all constituent demands can or should be met. Choices about how to best support current needs must be based on the CCE mission as an educational system, which, according to its mission statement, enables “people to improve their lives and communities through partnerships that put experience and research knowledge to work.” Seen through this lens, the results of the study indicate that CCE should promote the addition of training opportunities and creation of education materials which are aimed at agriculture extension educators (and through them, farmers) and are focused on effective business planning practices that will lead to improved profits and career satisfaction.

## OVERVIEW

### Problem statement

For most of a century, agriculture extension activities have focused on educational efforts aimed at helping farmers become more efficient and productive in order to be more profitable. As an industry, huge successes in productivity improvement have come from these efforts and those farmers who have successfully pursued capital intensive expansion and utilization of latest technologies have grown larger and larger. At the other end of the spectrum, smaller scale operators, who have experienced difficulties competing successfully in commodity based agriculture, have increasingly sought out opportunities to add value to products in order to discover profitable niches within agriculture. This study relates to producers who are focused on value-added businesses.

Traditional extension programs targeting commodity-focused production are not sufficient for educators working with innovative, value-added ag-based enterprises. Value-added businesses require a focus on business and marketing principles and skills. In meeting the needs of producers focused on value-added businesses, educators need to: (1) develop their own professional capacity to understand the principles and skills involved in business and marketing, and (2) develop and/or find appropriate resources and information to aid farmers in business planning and marketing.

This study examines current views of ag educators about what is needed by those pursuing the pathway of value-added businesses. More specifically, we are interested in how well prepared and supported ag educators feel when it comes to marketing and business planning principles and skills.

## RELATED STUDIES

This project was informed by findings of earlier studies examining similar issues. For example, in a 1987 survey of Cooperative Extension Field staff, agents were surveyed about alternative farming enterprises in order to:

1. Identify the characteristics of alternative farm and natural resource-based enterprises and innovative marketing strategies in New York State.
2. Assess the need of farm and rural families for information on starting and managing an alternative enterprise. (*Note: Although production issues were emphasized, considerable information about business and marketing issues was also collected*).
3. Assess the extent to which Cooperative Extension is currently able to serve the needs of farm and rural families in the area of farm diversification and alternative enterprise and market development.
4. Identify the major research, support, and in-service education needs of Cooperative Extension field staff in the area of farming alternatives.

Findings revealed that the **number one obstacle** impeding success for alternative enterprises was lack of marketing skills or information. For example, farmers did not feel confident in assessing market demand, choosing market channels, and/or promoting products. The authors offer the following explanation for this situation.

*“...the large majority of farm families have historically given more attention to the production of crops and livestock than to the marketing of those products...few farmers have been encouraged to hone their marketing skills as sharply as their production skills. Therefore the New York State agriculture industry as a whole has failed to develop a large repertoire of successful marketing strategies.”*

The **second ranked obstacle** was “lack of information on alternatives”, primarily production requirements. The **third obstacle** was “lack of general business management skills.”

Field staff were also asked “how important is it that Extension be able to respond to inquiries about alternative enterprise development?”. Thirty-five percent indicated “extremely important”, and 51% thought it was either “considerably” or “somewhat important.”

Respondents (CCE agriculture field staff) to the 1987 survey indicated the following topics need most attention for those farm families considering development of alternative enterprises or diversification. (in descending order of importance).

1. Examples of successful marketing strategies
2. Business management skills
3. Promotion and advertising
4. Doing market research
5. Consumer trends

Commenting on support needs, the report states: “To be able to offer such programs, and to be able to work individually with the farm or rural family in transition, a majority of field staff indicated that they would need additional support in the following areas:”

#### Research Needs

- studies of market potential for various alternative enterprises.
- economic feasibility and production information on non-traditional crops and systems

#### In-service Education

- Financial management
- Starting a new business
- Determining market potential

#### Resource Materials

- Packaged program that brings together all elements of farming alternatives
- Listing of agents with expertise in farming alternatives
- Extension bulletins on marketing

A conclusion stated in this study was, "Apparently field staff are in need of research, training, and materials in this area, and cannot easily improve their efforts...until this type of support is considerably strengthened."

The 1987 findings were reinforced by a 1989 study entitled "Farming Alternatives: Experience in New York State," which focused on documenting the types and characteristics of alternative enterprises and their development and profitability attributes. Findings showed that the top four critical factors associated with success in alternative enterprise were ranked as follows: marketing skills, production skills, business management skills, and financial resources. Policy implications in the 1989 study included:

- Those who are engaged in educational and research programs believe that skills in marketing, production, and business management are critical for successful operations.
- Programs that provide training in those areas are appropriate and may be well received by operators of alternative enterprises.
- Specific training programs could be developed by drawing upon suggestions from innovative farmers, extension agents, educators, and researchers who are familiar with the needs of those pursuing farming alternatives.
- Agricultural alternatives should receive some institutional support.
- Research at the university level should be carried out on the economics of alternatives.

Both surveys indicated that capacity building of extension educators relating to business planning and marketing has been a need that dates back at least to the 1980s. In 1990, a work group focused on Small Business and Management Development in what is now called the Department of Applied Economics and Management (AEM) conducted yet another analysis of needs. Recommendations provided in their report were:

*"Establish a statewide program committee for Economic Development to set priorities, plan and evaluate the efforts.*

- 1. Name a faculty leader for development of a curriculum similar to that of Pro-Dairy.*
- 2. Fund at least two extension professionals at the state level to :*
  - a. Develop and modify curriculum materials*
  - b. Identify farm business management agents and Extension offices to commit effort to small business management education.*
  - c. Develop and deliver in-service training*
  - d. Train lenders and business leaders, etc. for supportive roles*
  - e. Deliver some extension programs directly to selected small business management clientele.*
- 3. Fund at least three area specialists in small business management."*

More recently, in spring 2001, the Small Farms Task Group within the Dept. of AEM conducted a focus group and questionnaire study of small dairy farmers with the dual purpose of shaping the task group's agenda and to "learn the sentiment of small farm operators towards research and extension programs and needs." Although no formal



report has been completed at this writing, a preliminary one provides similar themes about the needs of farm operators from Cornell Cooperative Extension and Cornell University. A sampling of the requests includes:

- Provide cost and price benchmarks for various enterprises
- Provide tools for business/feasibility analysis
- Provide analysis of market trends
- Provide tools/training for CCE staff
- Conduct research on growth strategies and diversification opportunities for small farms
- Provide business planning assistance; teach business skills

The Small Farms Task Group and the Northeast New Farmer Network also conducted focus groups in 2001 to learn about needs of farmers for improved profitability. The New York State Small Dairy Farm Program developed a proposal addressing similar topics that are built on various research inputs in which preferences for support cited: learning new strategies, ideas, and practices; involving business topics from planning to operations management, and financial analysis to marketing. Training and tools for Ag educators were also cited as needs to better respond to farmers' inquiries. Strong preferences were stated for one-on-one consultation, peer learning, and case study examples<sup>1</sup>.

Further perspectives are provided by participant (primarily extension educators) evaluations at the April 19, 2001, AFSEV (Agriculture and Food System Economic Vitality) In-Service which focused on Agriculture Economic Development.<sup>2</sup> Comments indicated that farmers are interested in "how to" and other practical information on business planning, management, and marketing. For example, the requests included:

- Provide case studies
- Put theoretical concepts into practical perspective
- Discuss successful and unsuccessful outcomes
- Provide more specifics on marketing and promotional ideas
- Provide training in doing a strategic plan
- Implement NxLevel training (Ag business planning)

## **Summary**

Taken together, previous assessments of agricultural educators clearly document the need for Agriculture Educators to have access to business and marketing education. However, since the earlier identification of this need, there has not been an inventory of how educators are actually meeting the demand. In addition, not much is available in the literature about how Cooperative Extension is interacting with other players in the arena of economic development. Our study reflects a desire to gather more specific

---

<sup>1</sup> While the Cooperative Extension System cannot efficiently support large-scale one-to-one support of farmers in the areas of marketing and business management, creative programming approaches are needed to maximize the degree to which end-users feel their specific needs have been met.

<sup>2</sup> As a relatively new concept in Extension work, Ag Economic Development is viewed by this audience in both macro terms (linking Ag enterprise growth with traditional players and programs in community wide economic development) and micro terms (development, growth, and support of individual enterprises).

information about what is currently being used and what is viewed as important in the future design and implementation of materials, tools and programs. In addition, it provides another opportunity to continue to benchmark the demands of educators working with the value-added sector of the agricultural economy. Specifically, this study of Agricultural Educators was designed to ascertain:

- 1) their assessment of the needs and interests of constituent farmers for learning business planning and marketing principles,
- 2) the resources they currently use to meet these needs,
- 3) the partners they have used in training, and
- 4) their needs for additional resources and professional development to deliver support on these topics.

## **RESEARCH METHODS**

To carry out the objectives of the study, a written mail survey was administered among ag extension educators. Selection of participants involved reviewing lists of Cornell Cooperative Extension personnel who work with agricultural constituents and people hired as Agriculture Economic Development Specialists. Cooperative Extension Directors in each county identified the people in their office or region who work with constituents on agriculture business related matters. All intended participants were sent e-mail messages to verify postal addresses.

### **Survey Instrument**

Questions were created to elicit experience, knowledge, and opinions of educators related to farmer requests for business planning and marketing assistance. First draft and revisions were reviewed and tested by two extension educators and three research and extension support personnel. (See *Appendix Exhibit A.*)

### **Survey Procedures and Sample Size**

The survey mailing included a cover letter, questionnaire form, and stamped and addressed return envelope. In addition, a pre-addressed and stamped postcard with the respondent's name and return address was included for the respondent to verify that he/she had returned the questionnaire form. The postcard was mailed back separately from the questionnaire, which meant that follow-up phone calls to non-respondents did not violate the anonymity of returned surveys. The total number of questionnaires mailed was 118. Through follow up contact by telephone and e-mail to all non-respondents, it was learned that 6 of the original mailing were no longer in their jobs or the envelope was undeliverable as addressed. Usable returns of the remaining 112 were 75, yielding a response rate of 67%.

### **Data management and analysis**

Questionnaire responses were processed and analyzed using SPSS statistical software. Open-ended comments were typed verbatim into a text field and then sorted by similar expressions.

## FINDINGS

### Overview of data

Two types of data were collected. Quantitative responses were analyzed by frequency and by selected cross tabulations. Appendix A contains the questionnaire with response frequencies for each question. Qualitative, or open-ended comments, were sorted, categorized, and summarized for analysis and are reported in various Tables and Figures. Appendix B. lists respondents' comments about resources needed to conduct business planning and marketing support.

### Overview of Findings

#### Requests for Help with Business Planning and Marketing

Most ag educators surveyed indicated that they do get requests related to business planning practices. While they are able to satisfy these requests and do collaborate with other providers, they still seek to improve their ability to meet the needs of the clientele. The following specific results shed light on the nature of the demands and how educators are responding:

- ❑ **Strong demand for business and marketing** - 95% get requests for help with business and marketing questions. Comments revealed an extensive range of technical and strategic topics.
- ❑ **Few referrals** - 76% frequently or always satisfy inquiries in-house and very few respondents simply refer request elsewhere.
- ❑ **Strong levels of collaboration** - 75% say they collaborate with others to answer questions.
- ❑ **Desire for more information, better preparation** - 70% usually wish they had more information to offer. Comments indicate educators would like to have educational and technical materials on business and marketing, training, expert contacts, and databases of various types.

#### Educator Preparedness in Business Planning and Marketing

While there are steady requests for business and marketing resources, few of the respondents felt they had adequate capacity to meet those needs. Respondents indicated:

- ❑ **Limited preparedness** - Extension educators have very limited experience reviewing marketing and or business plans. 60% have reviewed less than 5 business or marketing plans in the past 3 years and 80% have reviewed less than 5 marketing plans.
- ❑ **Desire for professional training** - 72% say that as educators, they need professional development in business and marketing.

#### Educator participation and effectiveness in providing training

Although training events in business planning and marketing for the clientele remain at moderate levels, effectiveness of the training is considered good. The responses of the survey show:

- ❑ **Modest numbers of training events** - When asked how often they contributed to training in business planning or marketing issues, about 65% of the respondents said they did little or none (0-1 event per year)<sup>3</sup>.
- ❑ **Some respondents are quite active and collaborative** – 23% reported contributing to 9 or more events per year. In terms of collaboration, the most frequent training partners reported are other CCE and extension staff, and agri-business professionals.
- ❑ **Training seems effective** - About one-third of all respondents feel their training efforts have made a “considerable” difference, and 59% say their efforts have made a “moderate” difference.

#### Educator viewpoints on farmer interests

Ag educators were asked to express opinions on how their constituents feel about a variety of subjects.

- ❑ **Strong farmer interest in business and marketing** Findings indicate that interest by farmers in education is believed to be strongest for general business management, marketing and promotion, and strategic marketing topics. About 80% feel it is important to offer training to farmers on business planning and marketing.
- ❑ **Attitudes vary on favored venue** - Most favored learning formats of farmers are believed to be one-to-one assistance and learning with/from peers; not distance learning or self-study. Classes and workshops have moderate favor.

#### Educational Resources

Respondents scored various sources of materials on usefulness and quality. More specifically:

- ❑ **Existing Resources rated as good quality** -The respondents indicated that the most useful training materials for business and marketing topics are CCE bulletins, workbooks from Cornell, and internet sources. Cornell resources, including educational materials, access to specialists, and referrals for constituents, are generally rated positively. Respondent comments indicate that dairy and horticulture extension in particular offer a depth of expertise in business management.
- ❑ **More support needed** - Despite evidence that some resources do exist, written comments indicate that educators still feel more support is needed. Specifically, respondents indicated an interest in business plan examples, experts to call on, and various educational materials on marketing, and finance.

A detailed discussion of the questionnaire responses follows, organized in five parts: requests by farmers, interest level of farmers in business education, training experience of agriculture educators, capacity for business and marketing assistance, and evaluation of resources.

---

<sup>3</sup> Survey respondents were selected as those involved with constituents on agriculture business related matters.

## PART I REQUESTS BY FARMERS

### What Farmers Request

Four questions (see Survey in Appendix 1, questions 1, 2, 3, 4, and 5) relate to the frequency and type of inquiries by farmers and how educators and specialists responded and felt about their responses. Table 1 contains a summary of responses.

<b>TABLE 1. Topic comments in Question # 2</b>		
<b>What business planning and marketing topics are requested by farmers?</b>		
	<b>Frequency of response</b>	<b>Total Responses in category</b>
<b>Business Planning &amp; Management</b>		<b>101</b>
• business plan assistance	18	
• financial planning & analysis	12	
• loans, capital, asset management decisions	12	
• requirements to start up an enterprise	9	
• pricing/prices	8	
• human resources	6	
• estate plan. / transfer	5	
• shipping, packaging, labeling	5	
• cash flow analysis	5	
• enterprise budgets	4	
• Impact of production decisions on bus. plan	4	
• business management – general	3	
• taxation	3	
• recordkeeping	2	
• risk management, futures/options	2	
• guidebooks	1	
• new product development	1	
• environmental planning	1	
<b>Marketing</b>		<b>43</b>
• where to sell	12	
• marketing – general	10	
• feasibility of product/market	6	
• market strategies/ promotion	5	
• direct farm marketing/farmers markets	4	
• value-added products/processing	4	
• competitive marketing strategies	2	
<b>Opportunities</b>		<b>33</b>
• find, plan, evaluate new directions/products	33	
<b>Total mentions of topics</b>		<b>177</b>

Sixty-two percent of respondents received more than 10 inquiries annually on business planning and marketing topics. About a quarter of them receive less than six a year. Five percent said they receive none. Write-in comments revealed an extensive range of technical questions that agriculture extension educators and specialists receive regularly about business planning and marketing.

### How Educators Respond to Requests

When asked how they typically respond to inquiries on business and marketing topics:

- 76% say they frequently or always... “satisfy the request on my own”
- 83% said they sometimes or almost never “refer inquiries elsewhere”
- 75% said they frequently or always “collaborate with others”
- 70% said they frequently or always “wish they had more information”

Taken together, these responses are quite interesting. For example, although there is evidence of widespread collaboration and educators clearly are responding directly to requests on their own now, there seems to be a gap between current capacity and what they would like to be able to provide.

<b>TABLE 2. Summary of Topic comments in Question # 5</b>		
<b><u>Please tell us what you need in order to be more satisfied with your responses to such requests</u></b>		
	<b>Frequency of response</b>	<b>Total Responses in category</b>
<b>Information</b>		<b>40</b>
• market or enterprise data	9	
• marketing information	7	
• business plan models	6	
• product specific information	6	
• enterprise budgets	5	
• successful examples	4	
• case studies	2	
• faster internet access	1	
<b>Resource Contacts</b>		<b>19</b>
• who and what CU resources are available	7	
• where to find expertise in business/marketing	6	
• where to get information (non CU)	6	
<b>Training</b>		
• In depth in-service training	<b>5</b>	
• money for training	<b>1</b>	
• internet searches	<b>1</b>	<b>7</b>
<b>Total mentions of topics</b>		<b>66</b>

Further evidence of this gap is that about one-quarter of the respondents are somewhat dissatisfied with their ability to respond. And while 31% are “occasionally satisfied”, and 44% are “usually satisfied”, 75% of the respondents offered comments about what would improve their ability to be satisfied with their responses.

### Needs of Educators

Question 5 elicited many open ended responses that indicate what educators need in order to feel more satisfied with their ability to respond to inquiries. Of 66 comments, the most frequently mentioned needs are summarized into three groupings: information, resource contacts, and training (see Table 2).

## PART 2 INTEREST LEVEL OF FARMERS IN EDUCATION AND TRAINING

Ag educators were asked to indicate the views of farmers on: educational topics of most interest and preferred learning formats. It is important to keep in mind that these data represent the opinion of respondents about farmers’ preferences. (See Survey in Appendix 1, questions 6 and 15)

### Topics of Interest

Respondent’s views on what is of interest to farmers were highly varied (see Table 3). Strongest preferences are for general business management, and marketing topics are also strongly desired.<sup>4</sup>

(Interest Level)	No (% respond)	Low (% respond)	Moderate (% respond)	High (% respond)	Moderate + High (% respond)
General business management	-	3	58	39	<b>97</b>
Financial planning	-	18	49	33	<b>82</b>
Tax planning	2	19	51	28	<b>79</b>
Strategic marketing practices	2	21	36	41	<b>77</b>
Promotion and advertising	3	21	31	45	<b>76</b>
Human resource management	3	23	45	29	<b>74</b>
Market research and analysis	2	29	36	33	<b>69</b>
Analyze financial reports	3	30	55	12	<b>67</b>
Produce financial reports	3	40	43	14	<b>57</b>

### Preferred Learning Methods

Question 15 asked about the interest of farmers for different learning methods. By far, the most favored format is for one-on-one assistance, with 80% stating ‘high interest’. The second highest learning method was for “learning from other farmers” at 68%.

<sup>4</sup> It is important to note that the categories are not mutually exclusive. In other words, many of the topics listed might also be subheadings under General Business Management.

Other methods with combined “moderate” to “high” interest were for extension bulletins (84%), and workshops (92%). Although weakest levels of interest were reported for self-study workbooks/tapes and electronic distance learning, those methods were still considered of moderate to high interest by nearly half the respondents. Frequency responses are summarized in Table 4.

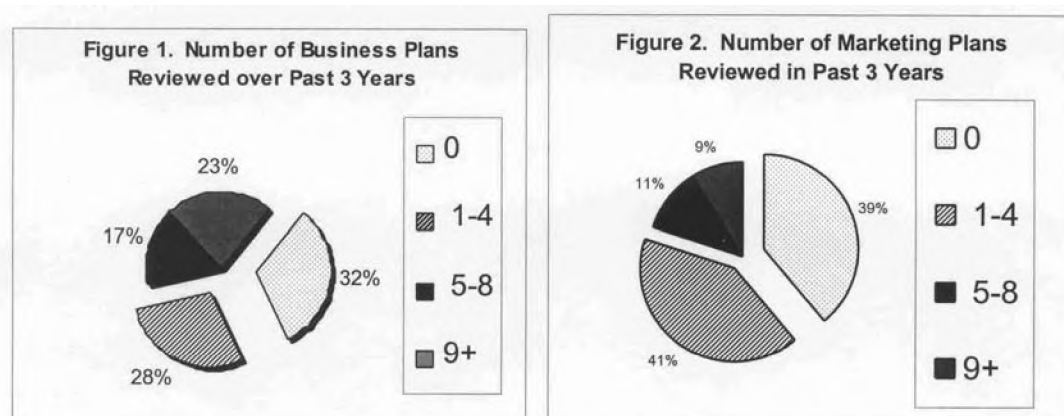
<b>Table 4. <u>PREFERENCES OF FARMERS FOR LEARNING METHODS</u></b>					
	No (Interest Level) (% respond)	Low (% respond)	Moderate (% respond)	High (% respond)	Moderate + High (% respond)
One-on-one assistance	-	1	19	80	<b>99</b>
Learning from other farmers	-	2	30	68	<b>98</b>
Workshops	2	6	54	38	<b>92</b>
Extension bulletins	-	16	56	28	<b>84</b>
Multi-session classes	-	27	57	16	<b>73</b>
Self-study workbooks/tapes	3	48	44	5	<b>49</b>
Electronic distance learning	8	44	40	8	<b>48</b>



## PART 3 TRAINING EXPERIENCES OF AGRICULTURE EDUCATORS

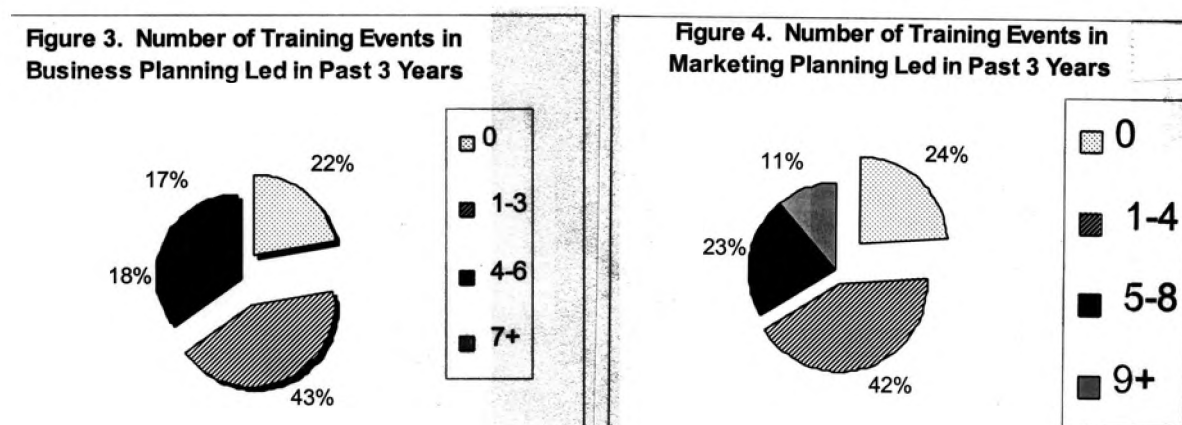
### Review of Business and Marketing Plans

Results of the survey indicate that ag educators have varied levels of experience with reviewing business plans and marketing plans during the past three years (see Figures 1 and 2). During the previous three years, 32% to 39% had not reviewed either type of plan and another 28% and 41% respectively had reviewed only one. Although a smaller proportion (23% and 9% respectively) had reviewed nine or more business or marketing plans over the three year, the data suggest that most ag educators don't have regular contact with such plans.



### Number of Trainings Conducted

As shown in Figures 3 and 4, respondents sponsored relatively few training events in the three years previous to the time of the survey.



### Using Training Partners

The survey results revealed a high frequency of involvement with partners such as CCE educators (51 responses), agri-business representative (45), Extension or Research associate (43), or College Professor or Instructor (40) as partners in conducting training

in business planning and marketing. Others with less frequent contributions include private consultants (22) and USDA employees (27).

## **PART 4 CAPACITY FOR BUSINESS AND MARKETING ASSISTANCE**

Responses to questions 5, 8, 9, and 14 provided insight to the capacity of educators to respond to and support inquiries from farmers on business planning and marketing.

### **Needs for Professional Development**

Most respondents (72%) feel a need for professional development in business planning and marketing. Open ended comments were categorized and are reported in Table 5. When breaking down the business management development mentioned, business planning is most frequently mentioned. In the marketing area, educators most frequently mentioned a desire for additional training in the area of marketing strategy.

**Table 5. Summary of Responses to Question # 8:  
What types of professional development would you find helpful?**

	<b>Frequency of response</b>	<b>Total Responses in category</b>
<b>Business Management</b>		<b>39</b>
• business planning	14	
• budgeting, financial projections, and analysis	8	
• enterprise evaluation	6	
• business management	5	
• benchmarks	3	
• finance	2	
• futures	1	
<b>Marketing</b>		<b>22</b>
• marketing strategies that work	11	
• marketing planning	7	
• market research techniques	4	
<b>Applies to both business and marketing</b>		<b>11</b>
• resource lists and sources	7	
• basics of business and marketing	3	
• new product development	1	
<b>Formats</b>		<b>11</b>
• in-service seminars, workshops	8	
• case studies	3	
<b>Total mentions of topics</b>		<b>73</b>

### **Importance of being Engaged in Business Planning and Marketing Training.**

A majority of respondents place “moderate” to “high importance” on training in business planning (78%) and marketing analysis (82%). A cross-tabulation of question 9 with those who have more experience reviewing business and marketing plans reveals these points:

- offering business plan training is considered more important by those who have reviewed more business plans
- offering marketing training is considered more important by those who have reviewed fewer marketing plans

### **Impact of Training on Farmers**

Almost all respondents felt that their training activities in business planning and marketing have made a positive difference for constituents. A little over a third of respondents responded that their training events have made a considerable difference for their constituents, and 59% believe the difference was moderate.

## **PART 5 EVALUATION OF RESOURCES**

Survey questions, 12 and 13 provide information about the educational materials in use and those that are needed by respondents.

### **Educational Materials Currently in Use**

Responses to Question 12 show frequency of use of various types of training materials for business planning and marketing training. The most frequently mentioned are CCE Bulletins (40) and Workbooks from Cornell University (36). The third most frequently cited resource was “internet web sites” (28). Government agency materials, workbooks from other sources, and agriculture related organizations (non land-grant) were also frequently mentioned (~24 in total).

### **Resources Needed**

A wide variety of answers were given when respondents were asked Question 13: What types of business and marketing support resources do you need to support farmers? The text of the 45 responses is reported in Appendix B. Using very general categories, the answers were sorted and categorized in Table 6. Although not all answers were specific about delivery vehicles they would like to see available, there was most frequent mention of materials (workbooks, spreadsheets, manuals, etc.) But others expressed interest in having an expert available and mentioned the need for more human resources.

In terms of topics mentioned (again, broadly characterized), both business plans and marketing plans were themes that emerged. Availability of funding and the need to customize programs and materials for ag- and food-based businesses also was mentioned by various respondents.

**TABLE 6. Delivery Mechanisms and Themes mentioned in responses to Question 13: What types of business and marketing support RESOURCES do you need to support farmers?**

	Frequency of response
<b>Delivery Mechanism</b>	
• Human Resources (experts)	12
• Materials	25
• Workshops	4
<b>Themes</b>	
• Business planning	6
• Marketing	8
• Funding	6
• Need to customize for agriculture/food-based businesses	8

## SUMMARY OF FINDINGS

The findings of this study indicate that even among educators who are identified as those who directly and frequently work with business planning and marketing related topics, most feel a need to improve their capacity to provide such support. While many may have expertise in plant, animal, and environmental science as their primary educational and hiring qualifications, most seem less familiar and comfortable with topics relating to business planning and marketing. Nonetheless, educators and ag economic development specialists interact regularly with producers who have many questions that go beyond technical production into areas of business and marketing.

The strongest message is that a very large majority of agriculture extension educators continue to state a need for professional development in business and marketing topics. For some this means understanding the basic concepts and the availability of resources and expertise, for others it means in-depth specialization as primary providers of technical assistance in business management and marketing topics.

## IMPLICATIONS AND RECOMMENDATIONS

The findings of this study provide evidence of a persistent desire of farmers who need and want technical assistance and training to develop marketing and general business skills and a similar persistent desire and need of ag extension educators to expand their capacity to serve those needs. If extension education efforts can help startup and existing farmers by emphasizing business and marketing practices (especially in value-added enterprises), then it is crucial to devote resources to these areas.

There are indications that this is a “ripe moment” to coordinate and develop current and new initiatives among extension educators. Many educators want to develop broad-based familiarity with business and marketing concepts. A smaller number hope to develop specialized expertise with business and marketing topics. Movement in this direction is indicated by the following observations:

1. Extension educators and farmers are more oriented to the benefits of business management and marketing than previously.
2. Internet and computer technology are providing resources and tools for business planning and marketing topics.
3. AEM has acknowledged the value of such commitments by creating and filling a new position for a horticulture marketing specialist.
4. Increasingly more workshops and conference sessions are devoted to marketing and business topics.
5. Multiple initiatives and programs are emerging in CALS related to these topics.

A further implication of this study is that Cornell University’s role in agriculture extension must continue to remain relevant to changing needs of the industry. Findings reveal a gap between how important agriculture educators feel it is for them to be supporting business and marketing and how effectively they believe such support is being provided and other players in the agriculture industry are working to close that gap. There are responses to these needs elsewhere in NY State’s agriculture infrastructure: for example, South Central New York Resource & Conservation Development (Norwich), Regional Farm and Food Project (Albany), USDA’s Risk Management Agency, and Farm Services Agency.

### Recommendations

Based on the study findings and implications, a set of recommendations are offered to deliver advanced programming in ag based business and marketing skills and practices.

The **first** is to recognize that business planning and marketing education are fundamental elements of managing successful ag- and food-based enterprises. The core content of such education is fairly generic across agricultural enterprises, and differences among types of enterprises in terms of market data and business practices can be dealt with by customizing training presentations and coordinating with commodity or enterprise specialists. Much of the essential content already exists within CCE/AEM, and among natural partners which support the agriculture industry, and trade associations serving numerous specialty and commodity producers.

The **second** is to coordinate and/or merge expertise and resources of extension leadership presently engaged in multiple and overlapping missions and objectives. (Examples are represented by the number of Ag related Program Work Teams, the Farming Alternatives Program, Small Farms Task Force, remnants of the Agriculture and food System Economic Vitality SPC, Farm Management In-Service workshops, CCE In-service workshops, and others.) The survey results indicate that some collaboration is already occurring between Agricultural Educators and other entities servicing the small business sector. Additional coordination and sharing of

resources/expertise within Cooperative Extension efforts could help increase the availability of existing programs and materials to educators.

The **third** is to assemble existing educational materials (produced at Cornell and elsewhere) which have proven to be useful to enterprising farmers. Relevant topics include a full range of business planning, management, and marketing subjects. Additional materials and resource information to supplement these can be developed under various grants for such purposes. The materials should be identified and organized by topics, by media, and instruction venue, whether by group instruction, one-on-one consultation and guidance, self-paced learning, distance learning, and extension bulletins or workbooks, etc. Clearly, choices about delivery format must be made with an eye toward CCE's mission and resource base.

The **fourth** is to recruit or identify specialized extension staff to provide specialized technical assistance in business and marketing topics. These staff members can lead training and provide expert advice and guidance to other extension offices and to individual farmers. Associated with this staff support must be faculty assigned as expert resources. They should also direct and/or undertake research that can supplement resources, provide new knowledge, and to track and evaluate the efforts and outcomes of the overall extension efforts in this area.

These or similar recommendations fit within a natural evolution of agriculture extension programming which has been deeply rooted in production areas. The next step is to devote resources to educational efforts relating to management and marketing to maintain the viability of the majority of farm enterprises and expand rural economic growth in New York State.

The authors are encouraged that the findings and recommendations give direction to current projects in the Entrepreneurship Education & Outreach Program (EEO), which include:

1. Developing a collection of video clips focused on the business planning and marketing practices of enterprising farmers. We plan to create materials and presentations using these clips, thereby responding to what was stated by the respondents as the desire of their constituency to "learn from peers."
2. Creating a website for the EEO, providing extension educators with downloadable materials, access to resources, and a annotated Compilation of Resources on Business and Marketing for Farm Based Enterprises (<http://eeo.aem.cornell.edu>)

It is important to acknowledge the efforts throughout CALS in recent years to advance programming for farm business management and marketing. It is essential that this effort continue to gain momentum through ongoing initiatives that promote value-added enterprises and commodity based enterprises where enterprising owners seek benefits of enhanced business management practices.

## REFERENCES

Grudens-Schuck, N., W. A. Knoblauch, and J. Green. 1987. "Farming Alternatives: Results of a Survey of Cooperative Extension Field Staff Regarding Alternative Farming Enterprises." Farming Alternatives Program, Department of Rural Sociology, Cornell University, Ithaca, NY.

Miller, Lynn H., W.A. Knoblauch, J. Green, and J. Brake. 1989. "Farming Alternatives: Experience in New York State" Farming Alternatives Program, Department of Rural Sociology, Cornell University, Ithaca, NY.

"New York Small Dairy Team Program Plan." 2001. Unpublished report by Small Farms Task Group, Department of Applied Economics and Management, Cornell University.

"Northeast New Farmer Network Focus Groups Summary Report. ". 2001. Unpublished compilation of work by Small Farms Task Group, Dept. of Applied Economics & Management, Cornell University.

"Report of the Small Business and Management Development Work Group of the Economic Development Committee." 1990. Department of Agricultural, Resource, and Managerial Economics, Cornell University.

Smith, David. 2001 "Community Agriculture Economic Development Indicators for Success". Unpublished handout from presentation at Agriculture and Food System In-Service Department of Applied Economics and Management, Cornell University.

## Appendix A

### SURVEY Data Summary - "Needs of Farmers and Ag Educators for Training, Resources, and Professional Development"

Summarized Percentage Frequencies - (75 of 112)

1. Tell us how many times a year you get requests from farmers asking for advice on business planning and marketing topics.

none (5%)      1-5 times (20%)      6-10 times (15%)      more than 10 times (60%)

2. Briefly list the things they request 89% commented

3. When you respond to such requests for advice, do you typically:

	Almost never	Sometimes	Frequently	Always
Refer them elsewhere	17%	66%	17%	-
Satisfy their requests on your own	4%	20%	66%	10%
Collaborate with others	1%	24%	60%	15%
Wish you had more information to give	3%	27%	26%	44%

4. How satisfied are you with your ability to respond to such requests?

Generally      Occasionally      Occasionally      Usually  
Unsatisfied (7%)      unsatisfied (18%)      satisfied (31%)      satisfied (44%)

5. Please tell us what you need in order to be more satisfied with your responses to such requests.  
80% commented

6. Please indicate the level of interest that you believe your constituents have for education and training in the following topics:

	no <u>interest</u>	low <u>interest</u>	moderate <u>interest</u>	high <u>interest</u>
Produce financial reports	4%	39%	41%	16%
Analyze financial reports	3%	30%	53%	14%
Financial planning	-	19%	48%	33%
Tax planning	1%	20%	49%	30%
Market research and analysis	1%	29%	35%	35%
Strategic marketing practices	3%	19%	36%	42%
Promotion and advertising	4%	20%	30%	46%
Human resource management	3%	21%	46%	30%
General business management	-	6%	57%	37%

7. Please indicate approximately the number of times in the past 3 years you have reviewed a ...

Business plan      0 times (32%)      1- 4 times (28%)      5 - 8 times (17%)      9+ times (23%)  
Marketing plan      0 times (39%)      1- 4 times (41%)      5 - 8 times (11%)      9+ times ( 9%)

8. Do you have a need for your own professional development to more effectively help farmers with their business planning and marketing questions?

\_\_\_ No (6%)      \_\_\_ Not Sure or Maybe (22%)      \_\_\_ Yes (72%)

If you responded "Yes", please list the types of professional development you would find helpful.  
68% commented

9. How important is it for you to be engaged in offering educational activities to support farmers on topics of:

	no <u>importance</u>	low <u>importance</u>	moderate <u>importance</u>	high <u>importance</u>
Business planning	1%	21%	38%	40%
Marketing	3%	15%	25%	57%



10. Please indicate approximately how many training events for farmers you organized, led, or presented at in the past three years on:

Business planning	none (22%)	1 - 3 (43%)	4 - 6 (18%)	7+ (17%)
Marketing	none (24%)	1 - 3 (42%)	4 - 6 (23%)	7+ (11%)

11. Please circle below those who have partnered with you to conduct education and training on business planning and marketing topics?

*# of Responses*

___ USDA employee	27
___ Agri-business representative	45
___ Private consultant	22
___ College Professor or Instructor	40
___ Extension or Research Associate	43
___ Other CCE educator	51
___ Non CCE educator	12
___ Others (specify)	12

12. Tell us what types of training materials you usually provide on business planning or marketing training for farmers ... and rank the 3 most useful.

**Rank 3**

most useful (1=highest)

*# of responses*

___ 42	CCE Bulletins	___ 1
___ 40	Workbooks from Cornell sources	___ 2
___ 26	Workbooks from other sources	___
___ 7	Research papers	___
___ 16	Journal articles	___
___ 29	Internet web sites	___ 3
___ 25	Agriculture related organization (non-land grant)	___
___ 26	Government agency or program	___
___ 13	others, specify _____	___

13. Please list support resources (e.g. educational materials, professional expertise, funding, organizational, etc.) you need to conduct business planning and marketing support for farmers. 45 Respondents commented

14. In your opinion, do you feel that your training activities for business planning and marketing have made a positive difference for your constituents?

Very little difference (5%)      Moderate difference (59%)      Considerable difference (36%)

15. In your opinion, indicate what interest you think farmers generally might have for these methods of learning business planning and marketing topics.

	<u>no interest</u>	<u>little interest</u>	<u>moderate interest</u>	<u>high interest</u>
One-on-one assistance	-	1%	17%	81%
Self-study workbooks/tapes	5%	47%	41%	7%
Extension bulletins	-	17%	54%	29%
Workshops	1%	6%	54%	39%
Electronic distance learning	7%	46%	39%	8%
Multi-session classes	-	30%	54%	16%
Learning from other farmers	-	1%	31%	68%

**16. Please indicate how satisfied you are with the following types of support from Cornell University on business planning and marketing topics.<sup>5</sup>**

	<u>generally unsatisfied</u>	<u>occasionally unsatisfied</u>	<u>occasionally satisfied</u>	<u>usually satisfied</u>
<b>a. Educational materials on:</b>				
<b>business planning</b>	<b>11%</b>	<b>9%</b>	<b>61%</b>	<b>19%</b>
<b>marketing</b>	<b>9%</b>	<b>21%</b>	<b>56%</b>	<b>14%</b>
<b>b. Access to specialists at Cornell</b>				
<b>for my needs as an educator</b>	<b>8%</b>	<b>17%</b>	<b>34%</b>	<b>41%</b>
<b>c. Access to specialists at Cornell</b>				
<b>for referral to my constituents</b>	<b>14%</b>	<b>20%</b>	<b>41%</b>	<b>25%</b>

**17. List any other comments you would like to make on these survey topics? 31% Commented**

---

<sup>5</sup> One of the reviewers raised important issues regarding the ambiguity of the middle two categories. He suggested the if someone is “occasionally satisfied” then most of the time he is dissatisfied. Hence the ordering of the possible responses from left to right does not necessarily reflect increasing levels of satisfaction. Because of this potential misinterpretation, we report the numerical results of the responses in this Appendix but we do not feel confident in drawing any conclusions. Hence, discussion of this question is omitted from our analysis.

## APPENDIX B.

### Comments for Question 13 Support resources needed to conduct business planning and marketing support for farmers.

The following entries are typed literally as written by respondents.

Comments from Respondents	Delivery Mechanism			Recurring Themes			
	People	Materials	Workshop	Business Plan	Marketing	Funding	Importance of customizing for Agriculture
Someone who understands agriculture – all realms of it, or is willing to take a look at the human side. Need to provide practical resources that can allow for successful implementation. Start small and develop further.	x						x
Business planning workbook for alternative agriculture, economic research and costs of producing alt. Ag. Products, market research workbook.		x		x			x
Educational materials, funding for ½ more of a person to do more planning with natural resources and alternative agriculture.		x				x	
Business planning only – DFBS, Cash flow analysis program				x			
Computer software to customize business plan. Computer version of alternative farm workbook.		x		x			
Update direct marketing materials and statistics.		x			x		
Funding to help lower cost to farmer of top notch program. I would probably work with partners such as CCE to bring program to farmers.						x	
More expertise on special commodities, more literature available for educators on processing techniques, grant writing course for farmers.		x	x				x
Funding opportunities, market analysis and feasibility.		x			x	x	
Systematic analysis and decision process.		x					
Marketing expertise	x				x		

Comments from Respondents	Delivery Mechanism			Recurring Themes			
	People	Materials	Workshop	Business Plan	Marketing	Funding	Importance of customizing for Agriculture
4 page fact sheet with budgeting.		x					
Current information on machinery costs, budget worksheets, revision of DFBS to be accurate for forage production costs. Specialists who like farmers and relate to their issues without being pompous and derogatory and who respect farms who have <200 and <100 cows. Someone to team up with to teach who I won't be apologizing for years into the future.		x					x
educational materials, professional expertise	x	x					
Professional expertise.	x						
Business planner familiar with farms (ground-up view). As I would not expect a planner to know production, unlikely I will become a business planner.	x						x
Funding would help to provide more in-depth support for farmers (i.e., we need more bodies out here to do high quality programming!)	x					x	
Planning template related to agriculture enterprise budget, market audits.		x			x		
Basics of developing a business plan.		x		x			
Update FAP (Farming Alternatives Program) workbook, fact sheets - checklists for start-up, websites for specifics.		x					
Resources from Cornell and help with writing grants for money to conduct programs.		x		x		x	
Materials - "How to Start a business", "Developing a Marketing Plan", "Change" for the family business (bulletin).							
\$ for market potential examination, \$ for start-ups for value-added, \$ for advertising and promotion.						x	
More on "How to do"		x					
ANYTHING on field crop economics. 92% of tilled land is field crops and we have no resources.							x
More modules that can be presented.			x				

Comments from Respondents	Delivery Mechanism			Recurring Themes			
	People	Materials	Workshop	Business Plan	Marketing	Funding	Importance of customizing for Agriculture
More marketing plans					x		
Working with groups like SBA but having Cornell staff to back up business topics with an Agri-business flare.							xx
professional/ college							
direct “connects” to personnel that determine policy, shape economics and financial outcomes - real life contacts with useful network information.	x						
Resources relative to farms that are <u>non-dairy</u> livestock							x
distribution systems, starting wineries, mail order businesses, EDZ		x					
Farming Alt. Handbook, Small Bus. Agency, Econ. & Bus. Dev. agencies		x					
Professional expertise & historical information & interpretation							
More expertise in marketing & understanding the markets. Educational materials to step-by-step show producers to use the stock market as a budgeting method.	x	x			x		
A local specialist or training for myself. a list of private professionals who can do this work.	x						
Marketing education with materials, professional training in marketing		x	x		x		
Training materials, newsletter (we can forward to clientele) CCE faculty speakers group (for County meetings) training for agents, home study module for clientele (L.D.)	x	x					
Training, educational materials, awareness of others.		x	x				
Ed materials + professional advice from(sic) farmers	x	x					
fact sheets - “recipes”		x					
Just getting them there is key!							

Comments from Respondents	Delivery Mechanism			Recurring Themes			
	People	Materials	Workshop	Business Plan	Marketing	Funding	Importance of customizing for Agriculture
The first two items (from list in #12... CCE bulletins and Workbooks from CU sources) would seem to be those most needed.		x					
Series of bulletins that address specific questions/business planning/marketing concepts		x		x	x		
A good resource @ CU - one person who has all info avail or knows where to obtain it - it's tough to keep chasing after & trying to locate people for info.	x						
Total	12	25	4	6	8	6	8